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Federal Communications Commission  
Consumer & Governmental Affairs Bureau  
Washington, D.C. 20554

**CGB**

SEP 9 2003

Control No. 0302445/aw

The Honorable Frank R. Wolf  
U.S. House of Representatives  
241 Cannon House Office Building  
Washington, D.C. 20515-4610

RECEIVED

SEP 11 2003

Dear Congressman Wolf

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FEDERAL COMMUNICATIONS COMMISSION  
WASHINGTON, D.C. 20554

Thank you for your letter on behalf of your constituent, Ms. Shirley Maloney, regarding the Federal Communications Commission's (Commission) recent amendment to the *rules implementing the Telephone Consumer Protection Act of 1991 (TCPA)*. Specifically, Ms. Maloney expresses concern that, "without the proper input from the business and association community," the Commission reversed its prior conclusion that an "established business relationship" constitutes the necessary express permission to send an unsolicited facsimile advertisement. Ms. Maloney indicates that requiring such express permission to be in writing will place onerous burdens on associations that wish to fax their members.

On September 18, 2002, the Commission released a Notice of Proposed Rulemaking (NPRM) in CG Docket No. 02-278, seeking comment on whether it should change its rules that restrict telemarketing calls and unsolicited fax advertisements, and if so, how. The NPRM sought comment on the option to establish a national do-not-call list, and how such action might be taken in conjunction with the national do-not-call registry rules adopted by the Federal Trade Commission (FTC) and the numerous state do-not-call lists. In addition, the Commission sought comment on the effectiveness of the TCPA's unsolicited facsimile advertisement rules, including the Commission's determination that a prior business relationship between a fax sender and recipient establishes the requisite consent to receive advertisements via fax. The Commission received over 6,000 comments from individuals, businesses, and state governments on the TCPA rules.

The record in this proceeding, along with our own enforcement experience, demonstrated that changes in the current rules are warranted, if consumers and businesses are to continue to receive the privacy protections contemplated by the TCPA. As explained in the Commission's Report and Order released on July 3, 2003, the record indicated that many consumers and businesses receive faxes they believe they have neither solicited nor given their permission to receive. Consumers emphasized that the burden of receiving hundreds of unsolicited faxes was not just limited to the cost of paper and toner, but includes the time spent reading and disposing of faxes, the time the machine is printing an advertisement and is not operational for other purposes, and the intrusiveness of faxes transmitted at inconvenient times, including in the middle of the night.

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As we explained in the Report and Order, the legislative history of the TCPA indicates that one of Congress' primary concerns was to protect the public from bearing the costs of unwanted advertising. Therefore, Congress determined that companies that wish to fax unsolicited advertisements to customers must obtain their express permission to do so before transmitting any faxes to them. The amended rules require all entities that wish to transmit advertisements to a facsimile machine to obtain permission from the recipient in writing.

The Commission's amended facsimile advertising rules were initially scheduled to go into effect on August 25, 2003. However, based on additional comments received since the adoption of the July Report and Order, the Commission, on its own motion, determined to delay the effective date of some of the amended facsimile rules, including the elimination of the established business relationship exemption, until January 1, 2005. The comments filed after the release of the Report and Order indicate that many organizations may need additional time to secure this written permission from individuals and businesses to which they fax advertisements. Enclosed is a copy of the Commission's Order on Reconsideration, released on August 18, 2003.

We appreciate Ms. Maloney's comments. We have placed a copy of Ms. Maloney's correspondence in the public record for this proceeding. Please do not hesitate to contact us if you have further questions.

Sincerely,

  
K. Dane Snowden

Chief

Consumer & Governmental Affairs Bureau

Enclosures

**FRANK R. WOLF**

10th District, Virginia

**COMMITTEE ON APPROPRIATIONS**

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**TRANSPORTATION, TREASURY  
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HUMAN RIGHTS CAUCUS**



**Congress of the United States  
House of Representatives**

August 11, 2003

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Ms. Diane Atkinson  
Congressional Liaison Specialist  
Federal Communications Commission  
445 12th Street, SW, Room 8-C453  
Washington DC 20554

*CCB  
TCA  
2445*

Dear Ms. Atkinson,

I recently received the enclosed e-mail from my constituent, Ms. Shuley Maloney, of Herndon, Virginia, sharing with me her concerns that the FCC is taking actions to amend the regulations that implement the Telephone Consumer Protection Act of 1991 to do away with the "established business relationship" provision pertaining to fax advertisements.

I would appreciate any comments that you may have on this matter for me to share with Ms. Maloney. I ask that you please fax your response to me at 202-225-0437, attention: Elizabeth Becker.

Thank you for your assistance in helping me serve my constituents.

Best wishes

Sincerely,

Frank R. Wolf  
Member of Congress

FRW eb

18 AUG 2003 RCVD

**Walton, Jeff**

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**From** writerep  
**Sent** Tuesday, August 05, 2003 5:04 PM  
**To** Wolf, Write  
**Subject** WriteRep Responses

DATE August 5, 2003 4:42 PM  
NAME Shirley Maloney  
ADDR1 2201 Cooperative Way  
ADDR2  
ADDR3  
CITY Herndon  
STATE Virginia  
ZIP 20171-4583  
PHONE  
EMAIL maloney@naio.org  
msg  
Shirley Maloney  
2201 Cooperative Way  
Herndon, VA 20171-4583

August 5, 2003

The Honorable Frank R. Wolf  
U.S. House of Representatives  
241 Cannon House Office Building  
Washington, D.C. 20515-4610

Representative Wolf

I am writing to alert you to the recent actions taken by the FCC to amend the regulations that implement the Telephone Consumer Protection Act of

1991 (TCPA). The FCC has decided, without the proper input from the business and association community, to modify the current law by doing away with the "established business relationship" provision pertaining to fax advertisements. This amendment will place onerous administrative and economic burdens on associations by requiring "expressed written consent" from their own members prior to sending a fax advertisement. I hope you share in my concern over this onerous restriction of legitimate commercial activity.

The new FCC reading of the TCPA prohibits any person or entity from sending any fax that contains an unsolicited advertisement which is defined as "any material advertising the commercial availability or quality of any property, good, or services which is transmitted to any person without that person's prior express invitation or permission."

As a result, the established business relationship is no longer sufficient to permit faxes to be transmitted. Associations and businesses are now faced with the challenging administrative, legal, economic and record keeping ramifications that will arise thanks to the new FCC changes.

The proposed changes, which are scheduled to go into effect on August 25,

2003 30 days after they were published in the Federal Register on July

25, 2003, will create a significant economic and labor-intensive burden

for the association community. The adjustment in the TCPA will require signed written consent to allow faxes to be sent that contain unsolicited advertisements. It would even require written consent for faxes pertaining to events such as annual meetings.

While these changes may be suitable for residential telephone numbers as

the new Do Not Call registry provides, they are certainly not acceptable

for association-to-member facsimile communications. Associations rely on faxes as a prime source of communication and marketing to meet the needs of their members.

With penalties reaching \$11,000 per unauthorized fax, this is a burden that few associations can financially endure. The proposed FCC changes

are a prime example of an idea where the disadvantages and unintended consequences far outweigh the benefits. Please join me in requesting that

the FCC halt their efforts to change the current TCPA.

Sincerely,

Shirley Maloney